

Exhibit A

Proposed Reliability Standards, FAC-001-2 and FAC-002-2

A. Introduction

1. **Title:** Facility Interconnection Requirements
2. **Number:** FAC-001-2
3. **Purpose:** To avoid adverse impacts on the reliability of the Bulk Electric System, Transmission Owners and applicable Generator Owners must document and make Facility interconnection requirements available so that entities seeking to interconnect will have the necessary information.
4. **Applicability:**
 - 4.1. **Functional Entities:**
 - 4.1.1 Transmission Owner
 - 4.1.2 Applicable Generator Owner
 - 4.1.2.1 Generator Owner with a fully executed Agreement to conduct a study on the reliability impact of interconnecting a third party Facility to the Generator Owner's existing Facility that is used to interconnect to the Transmission system.
5. **Effective Date:** The standard shall become effective on the first day of the first calendar quarter that is one year after the date that this standard is approved by an applicable governmental authority or as otherwise provided for in a jurisdiction where approval by an applicable governmental authority is required for a standard to go into effect. Where approval by an applicable governmental authority is not required, the standard shall become effective on the first day of the first calendar quarter that is one year after the date this standard is adopted by the NERC Board of Trustees or as otherwise provided for in that jurisdiction.

B. Requirements and Measures

- R1.** Each Transmission Owner shall document Facility interconnection requirements, update them as needed, and make them available upon request. Each Transmission Owner's Facility interconnection requirements shall address interconnection requirements for: *[Violation Risk Factor: Lower] [Time Horizon: Long-term Planning]*
 - 1.1. generation Facilities;
 - 1.2. transmission Facilities; and
 - 1.3. end-user Facilities.
- M1.** Each Transmission Owner shall have evidence (such as dated, documented Facility interconnection requirements) that it met all requirements in Requirement R1.
- R2.** Each applicable Generator Owner shall document Facility interconnection requirements and make them available upon request within 45 calendar days of full execution of an Agreement to conduct a study on the reliability impact of interconnecting a third party Facility to the Generator Owner's existing Facility that is

used to interconnect to the Transmission system. *[Violation Risk Factor: Lower] [Time Horizon: Long-term Planning]*

- M2.** Each applicable Generator Owner shall have evidence (such as dated, documented Facility interconnection requirements) that it met all requirements in Requirement R2.
- R3.** Each Transmission Owner shall address the following items in its Facility interconnection requirements: *[Violation Risk Factor: Lower] [Time Horizon: Long-Term Planning]*
 - 3.1.** Procedures for coordinated studies of new or materially modified existing interconnections and their impacts on affected system(s).
 - 3.2.** Procedures for notifying those responsible for the reliability of affected system(s) of new or materially modified existing interconnections.
- M3.** Each Transmission Owner shall have evidence (such as dated, documented Facility interconnection requirements addressing the procedures) that it met all requirements in Requirement R3.
- R4.** Each applicable Generator Owner shall address the following items in its Facility interconnection requirements: *[Violation Risk Factor: Lower] [Time Horizon: Long-Term Planning]*
 - 4.1.** Procedures for coordinated studies of new interconnections and their impacts on affected system(s).
 - 4.2.** Procedures for notifying those responsible for the reliability of affected system(s) of new interconnections.
- M4.** Each applicable Generator Owner shall have evidence (such as dated, documented Facility interconnection requirements addressing the procedures) that it met all requirements in Requirement R4.

C. Compliance

1. Compliance Monitoring Process

1.1. Compliance Enforcement Authority

As defined in the NERC Rules of Procedure, “Compliance Enforcement Authority” (CEA) means NERC or the Regional Entity in their respective roles of monitoring and enforcing compliance with the NERC Reliability Standards.

1.2. Evidence Retention

The following evidence retention periods identify the period of time an entity is required to retain specific evidence to demonstrate compliance. For instances where the evidence retention period specified below is shorter than the time since the last audit, the CEA may ask an entity to provide other evidence to show that it was compliant for the full time period since the last audit.

The Transmission Owner and applicable Generator Owner shall keep data or evidence to show compliance as identified below unless directed by its CEA to retain specific evidence for a longer period of time as part of an investigation:

The responsible entities shall retain documentation as evidence for three years.

If a responsible entity is found non-compliant, it shall keep information related to the non-compliance until mitigation is complete and approved or for the time specified above, whichever is longer.

The CEA shall keep the last audit records and all requested and submitted subsequent audit records.

1.3. Compliance Monitoring and Assessment Processes:

Compliance Audit

Self-Certification

Spot Check

Compliance Investigation

Self-Reporting

Complaint

1.4. Additional Compliance Information

None

Table of Compliance Elements

R #	Time Horizon	VRF	Violation Severity Levels			
			Lower VSL	Moderate VSL	High VSL	Severe VSL
R1	Long-term Planning	Lower	N/A	<p>The Transmission Owner documented Facility interconnection requirements and updated them as needed, but failed to make them available upon request.</p> <p>OR</p> <p>The Transmission Owner documented Facility interconnection requirements and made them available upon request, but failed to update them as needed.</p> <p>OR</p> <p>The Transmission Owner documented Facility interconnection requirements, updated them as needed, and made them available upon request, but</p>	<p>The Transmission Owner documented Facility interconnection requirements, but failed to update them as needed and failed to make them available upon request.</p> <p>OR</p> <p>The Transmission Owner documented Facility interconnection requirements, updated them as needed, and made them available upon request, but failed to address interconnection requirements for two of the Facilities as specified in R1, Parts 1.1, 1.2, or 1.3.</p>	<p>The Transmission Owner did not document Facility interconnection requirements.</p>

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				failed to address interconnection requirements for one of the Facilities as specified in R1, Parts 1.1, 1.2, or 1.3.		
R2	Long-term Planning	Lower	The applicable Generator Owner failed to document Facility interconnection requirements and make them available upon request until more than 45 calendar days but less than or equal to 60 calendar days after full execution of an Agreement to conduct a study on the reliability impact of interconnecting a third party Facility to the Generator Owner’s existing Facility that is used to interconnect to the Transmission system.	The applicable Generator Owner failed to document Facility interconnection requirements and make them available upon request until more than 60 calendar days but less than or equal to 70 calendar days after full execution of an Agreement to conduct a study on the reliability impact of interconnecting a third party Facility to the Generator Owner’s existing Facility that is used to interconnect to the Transmission system.	The applicable Generator Owner failed to document Facility interconnection requirements and make them available upon request until more than 70 calendar days but less than or equal to 80 calendar days after full execution of an Agreement to conduct a study on the reliability impact of interconnecting a third party Facility to the Generator Owner’s existing Facility that is used to interconnect to the Transmission system.	The applicable Generator Owner failed to document Facility interconnection requirements and make them available upon request until more than 80 calendar days after full execution of an Agreement to conduct a study on the reliability impact of interconnecting a third party Facility to the Generator Owner’s existing Facility that is used to interconnect to the Transmission system.

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R3	Long-term Planning	Lower	N/A	N/A	The Transmission Owner addressed either R3, Part 3.1 or Part 3.2 in its Facility interconnection requirements, but did not address both.	The Transmission Owner addressed neither R3, Part 3.1 nor Part 3.2 in its Facility interconnection requirements.
R4	Long-term Planning	Lower	N/A	N/A	The applicable Generator Owner addressed either R4, Part 4.1 or Part 4.2 in its Facility interconnection requirements, but did not address both.	The applicable Generator Owner addressed neither R4, Part 4.1 nor Part 4.2 in its Facility interconnection requirements.

D. Regional Variances

None.

E. Interpretations

None.

F. Associated Documents

None.

Guidelines and Technical Basis

Entities should have documentation to support the technical rationale for determining whether an existing interconnection was “materially modified.” Recognizing that what constitutes a “material modification” will vary from entity to entity, the intent is for this determination to be based on engineering judgment.

Requirement R3:

Originally the Parts of R3, with the exception of the first two bullets, which were added by the Project 2010-02 drafting team, this list has been moved to the Guidelines and Technical Basis section to provide entities with the flexibility to determine the Facility interconnection requirements that are technically appropriate for their respective Facilities. Including them as Parts of R3 was deemed too prescriptive, as frequently some items in the list do not apply to all applicable entities – and some applicable entities will have requirements that are not included in this list.

Each Transmission Owner and applicable Generator Owner should consider the following items in the development of Facility interconnection requirements:

- Procedures for requesting a new Facility interconnection or material modification to an existing interconnection
- Data required to properly study the interconnection
- Voltage level and MW and MVAR capacity or demand at the point of interconnection
- Breaker duty and surge protection
- System protection and coordination
- Metering and telecommunications
- Grounding and safety issues
- Insulation and insulation coordination
- Voltage, Reactive Power (including specifications for minimum static and dynamic reactive power requirements), and power factor control
- Power quality impacts
- Equipment ratings
- Synchronizing of Facilities
- Maintenance coordination
- Operational issues (abnormal frequency and voltages)
- Inspection requirements for new or materially modified existing interconnections
- Communications and procedures during normal and emergency operating conditions

Application Guidelines

Version History

Version	Date	Action	Change Tracking
0	April 1, 2005	Effective Date	New
1		Added requirements for Generator Owner and brought overall standard format up to date.	Revision under Project 2010-07
1	February 9, 2012	Adopted by the Board of Trustees	
1	September 19, 2013	A FERC order was issued on September 19, 2013, approving FAC-001-1. This standard became enforceable on November 25, 2013 for Transmission Owners. For Generator Owners, the standard becomes enforceable on January 1, 2015.	
2		Revisions to implement the recommendations of the FAC Five-Year Review Team.	Revision under Project 2010-02
2	August 14, 2014	Adopted by the Board of Trustees	

FAC-002-2 Clean Version

A. Introduction

1. **Title:** Facility Interconnection Studies
2. **Number:** FAC-002-2
3. **Purpose:** To study the impact of interconnecting new or materially modified Facilities on the Bulk Electric System.
4. **Applicability:**
 - 4.1. **Functional Entities:**
 - 4.1.1 Planning Coordinator
 - 4.1.2 Transmission Planner
 - 4.1.3 Transmission Owner
 - 4.1.4 Distribution Provider
 - 4.1.5 Generator Owner
 - 4.1.6 Applicable Generator Owner
 - 4.1.6.1 Generator Owner with a fully executed Agreement to conduct a study on the reliability impact of interconnecting a third party Facility to the Generator Owner's existing Facility that is used to interconnect to the Transmission system.
 - 4.1.7 Load-Serving Entity
5. **Effective Date:** The first day of the first calendar quarter that is one year after the date that this standard is approved by an applicable governmental authority or as otherwise provided for in a jurisdiction where approval by an applicable governmental authority is required for a standard to go into effect. Where approval by an applicable governmental authority is not required, the standard shall become effective on the first day of the first calendar quarter that is one year after the date this standard is adopted by the NERC Board of Trustees or as otherwise provided for in that jurisdiction.

B. Requirements and Measures

- R1. Each Transmission Planner and each Planning Coordinator shall study the reliability impact of: (i) interconnecting new generation, transmission, or electricity end-user Facilities and (ii) materially modifying existing interconnections of generation, transmission, or electricity end-user Facilities. The following shall be studied:
[Violation Risk Factor: Medium] [Time Horizon: Long-term Planning]
 - 1.1. The reliability impact of the new interconnection, or materially modified existing interconnection, on affected system(s);
 - 1.2. Adherence to applicable NERC Reliability Standards; regional and Transmission Owner planning criteria; and Facility interconnection requirements;
 - 1.3. Steady-state, short-circuit, and dynamics studies, as necessary, to evaluate system performance under both normal and contingency conditions; and

- 1.4.** Study assumptions, system performance, alternatives considered, and coordinated recommendations. While these studies may be performed independently, the results shall be evaluated and coordinated by the entities involved.
- M1.** Each Transmission Planner or each Planning Coordinator shall have evidence (such as study reports, including documentation of reliability issues) that it met all requirements in Requirement R1.
- R2.** Each Generator Owner seeking to interconnect new generation Facilities, or to materially modify existing interconnections of generation Facilities, shall coordinate and cooperate on studies with its Transmission Planner or Planning Coordinator, including but not limited to the provision of data as described in R1, Parts 1.1-1.4. *[Violation Risk Factor: Medium] [Time Horizon: Long-term Planning]*
- M2.** Each Generator Owner shall have evidence (such as documents containing the data provided in response to the requests of the Transmission Planner or Planning Coordinator) that it met all requirements in Requirement R2.
- R3.** Each Transmission Owner, each Distribution Provider, and each Load-Serving Entity seeking to interconnect new transmission Facilities or electricity end-user Facilities, or to materially modify existing interconnections of transmission Facilities or electricity end-user Facilities, shall coordinate and cooperate on studies with its Transmission Planner or Planning Coordinator, including but not limited to the provision of data as described in R1, Parts 1.1-1.4. *[Violation Risk Factor: Medium] [Time Horizon: Long-term Planning]*
- M3.** Each Transmission Owner, each Distribution Provider, and each Load-Serving Entity shall have evidence (such as documents containing the data provided in response to the requests of the Transmission Planner or Planning Coordinator) that it met all requirements in Requirement R3.
- R4.** Each Transmission Owner shall coordinate and cooperate with its Transmission Planner or Planning Coordinator on studies regarding requested new or materially modified interconnections to its Facilities, including but not limited to the provision of data as described in R1, Parts 1.1-1.4. *[Violation Risk Factor: Medium] [Time Horizon: Long-term Planning]*
- M4.** Each Transmission Owner shall have evidence (such as documents containing the data provided in response to the requests of the Transmission Planner or Planning Coordinator) that it met all requirements in Requirement R4.
- R5.** Each applicable Generator Owner shall coordinate and cooperate with its Transmission Planner or Planning Coordinator on studies regarding requested interconnections to its Facilities, including but not limited to the provision of data as described in R1, Parts 1.1-1.4. *[Violation Risk Factor: Medium] [Time Horizon: Long-term Planning]*
- M5.** Each applicable Generator Owner shall have evidence (such as documents containing the data provided in response to the requests of the Transmission Planner or Planning Coordinator) that it met all requirements in Requirement R5.

C. Compliance

1. Compliance Monitoring Process

1.1. Compliance Enforcement Authority

As defined in the NERC Rules of Procedure, “Compliance Enforcement Authority” (CEA) means NERC or the Regional Entity in their respective roles of monitoring and enforcing compliance with the NERC Reliability Standards.

1.2. Evidence Retention

The following evidence retention periods identify the period of time an entity is required to retain specific evidence to demonstrate compliance. For instances where the evidence retention period specified below is shorter than the time since the last audit, the CEA may ask an entity to provide other evidence to show that it was compliant for the full time period since the last audit.

The Planning Coordinator, Transmission Planner, Transmission Owner, Distribution Provider, Generator Owner, applicable Generator Owner, and Load-Serving Entity shall keep data or evidence to show compliance as identified below unless directed by its CEA to retain specific evidence for a longer period of time as part of an investigation:

The responsible entities shall retain documentation as evidence for three years.

If a responsible entity is found non-compliant, it shall keep information related to the non-compliance until mitigation is complete and approved or for the time specified above, whichever is longer.

The CEA shall keep the last audit records and all requested and submitted subsequent audit records.

1.3. Compliance Monitoring and Assessment Processes:

Compliance Audit

Self-Certification

Spot Check

Compliance Investigation

Self-Reporting

Complaint

1.4. Additional Compliance Information

None

Table of Compliance Elements

R #	Time Horizon	VRF	Violation Severity Levels			
			Lower VSL	Moderate VSL	High VSL	Severe VSL
R1	Long-term Planning	Medium	The Transmission Planner or Planning Coordinator studied the reliability impact of: (i) interconnecting new generation, transmission, or electricity end-user Facilities, and (ii) materially modifying existing interconnections of generation, transmission, or electricity end-user Facilities, but failed to study one of the Parts (R1, 1.1-1.4).	The Transmission Planner or Planning Coordinator studied the reliability impact of: (i) interconnecting new generation, transmission, or electricity end-user Facilities, and (ii) materially modifying existing interconnections of generation, transmission, or electricity end-user Facilities but failed to study two of the Parts (R1, 1.1-1.4).	The Transmission Planner or Planning Coordinator studied the reliability impact of: (i) interconnecting new generation, transmission, or electricity end-user Facilities, and (ii) materially modifying existing interconnections of generation, transmission, or electricity end-user Facilities but failed to study three of the Parts (R1, 1.1-1.4).	The Transmission Planner or Planning Coordinator failed to study the reliability impact of: interconnecting new generation, transmission, or electricity end-user Facilities, and (ii) materially modifying existing interconnections of, generation, transmission, or electricity end-user Facilities.
R2	Long-term Planning	Medium	The Generator Owner seeking to interconnect new generation Facilities, or to materially modify existing interconnections of generation Facilities, coordinated and cooperated on studies	The Generator Owner seeking to interconnect new generation Facilities, or to materially modify existing interconnections of generation Facilities, coordinated and cooperated on studies	The Generator Owner seeking to interconnect new generation Facilities, or to materially modify existing interconnections of generation Facilities, coordinated and cooperated on studies	The Generator Owner seeking to interconnect new generation Facilities, or to materially modify existing interconnections of generation Facilities, failed to coordinate and cooperate on

			with its Transmission Planner or Planning Coordinator, but failed to provide data necessary to perform studies as described in one of the Parts (R1, 1.1-1.4).	with its Transmission Planner or Planning Coordinator, but failed to provide data necessary to perform studies as described in two of the Parts (R1, 1.1-1.4).	with its Transmission Planner or Planning Coordinator, but failed to provide data necessary to perform studies as described in three of the Parts (R1, 1.1-1.4).	studies with its Transmission Planner or Planning Coordinator.
R3	Long-term Planning	Medium	The Transmission Owner, Distribution Provider, or Load-Serving Entity seeking to interconnect new transmission Facilities or electricity end-user Facilities, or to materially modify existing interconnections of transmission Facilities or electricity end-user Facilities, coordinated and cooperated on studies with its Transmission Planner or Planning Coordinator, but failed to provide data necessary to perform studies as described in one of the Parts (R1, 1.1-1.4).	The Transmission Owner, Distribution Provider, or Load-Serving Entity seeking to interconnect new transmission Facilities or electricity end-user Facilities, or to materially modify existing interconnections of transmission Facilities or electricity end-user Facilities, coordinated and cooperated on studies with its Transmission Planner or Planning Coordinator, but failed to provide data necessary to perform studies as described in two of the Parts (R1, 1.1-1.4).	The Transmission Owner, Distribution Provider, or Load-Serving Entity seeking to interconnect new transmission Facilities or electricity end-user Facilities, or to materially modify existing interconnections of transmission Facilities or electricity end-user Facilities, coordinated and cooperated on studies with its Transmission Planner or Planning Coordinator, but failed to provide data necessary to perform studies as described in three of the Parts (R1, 1.1-1.4).	The Transmission Owner, Distribution Provider, or Load-Serving Entity seeking to interconnect new transmission Facilities or electricity end-user Facilities, or to materially modify existing interconnections of transmission Facilities or electricity end-user Facilities, failed to coordinate and cooperate on studies with its Transmission Planner or Planning Coordinator.

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R4	Long-term Planning	Medium	The Transmission Owner coordinated and cooperated on studies with its Transmission Planner or Planning Coordinator regarding requested new or materially modified interconnections to its Facilities, but failed to provide data necessary to perform studies as described in one of the Parts (R1, 1.1-1.4).	The Transmission Owner coordinated and cooperated on studies with its Transmission Planner or Planning Coordinator regarding requested new or materially modified interconnections to its Facilities, but failed to provide data necessary to perform studies as described in two of the Parts (R1, 1.1-1.4).	The Transmission Owner coordinated and cooperated on studies with its Transmission Planner or Planning Coordinator regarding requested new or materially modified interconnections to its Facilities, but failed to provide data necessary to perform studies as described in three of the Parts (R1, 1.1-1.4).	The Transmission Owner failed to coordinate and cooperate on studies with its Transmission Planner or Planning Coordinator regarding requested new or materially modified interconnections to its Facilities.
R5	Long-term Planning	Medium	The applicable Generator Owner coordinated and cooperated on studies with its Transmission Planner or Planning Coordinator regarding requested interconnections to its Facilities, but failed to provide data necessary to perform studies as described in one of the Parts (R1, 1.1-1.4).	The applicable Generator Owner coordinated and cooperated on studies with its Transmission Planner or Planning Coordinator regarding requested interconnections to its Facilities, but failed to provide data necessary to perform studies as described in two of the Parts (R1, 1.1-1.4).	The applicable Generator Owner coordinated and cooperated on studies with its Transmission Planner or Planning Coordinator regarding requested interconnections to its Facilities, but failed to provide data necessary to perform studies as described in three of the Parts (R1, 1.1-1.4).	The applicable Generator Owner failed to coordinate and cooperate on studies with its Transmission Planner or Planning Coordinator regarding requested interconnections to its Facilities.

D. Regional Variances

None.

E. Interpretations

None.

F. Associated Documents

None

Application Guidelines

Guidelines and Technical Basis

Entities should have documentation to support the technical rationale for determining whether an existing interconnection was “materially modified.” Recognizing that what constitutes a “material modification” will vary from entity to entity, the intent is for this determination to be based on engineering judgment.

Version History

Version	Date	Action	Change Tracking
0	April 1, 2005	Effective Date	New
0	January 13, 2006	Removed duplication of “Regional Reliability Organizations(s).	Errata
1	August 5, 2010	Modified to address Order No. 693 Directives contained in paragraph 693. Adopted by the NERC Board of Trustees.	Revised
1	February 7, 2013	R2 and associated elements approved by NERC Board of Trustees for retirement as part of the Paragraph 81 project (Project 2013-02) pending applicable regulatory approval.	
1	November 21, 2013	R2 and associated elements approved by FERC for retirement as part of the Paragraph 81 project (Project 2013-02)	
2		Revisions to implement the recommendations of the FAC Five-Year Review Team.	Revision under Project 2010-02
2	August 14, 2014	Adopted by the Board of Trustees.	